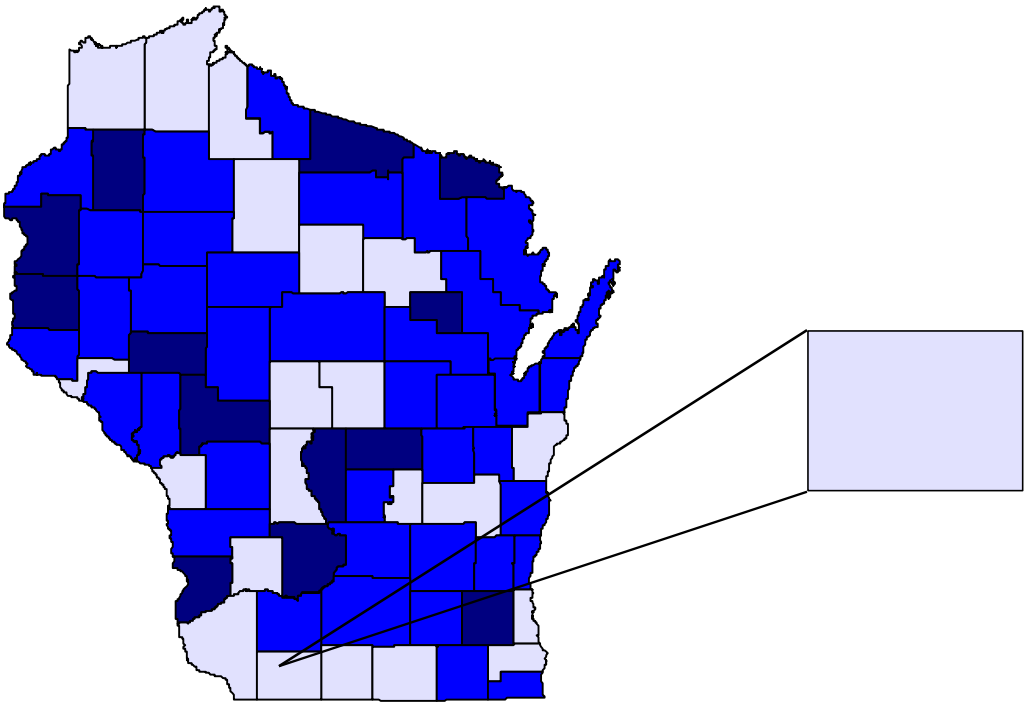
# Lafayette County
# Workforce Profile

Job Growth 1994 to 1999



O to 9.9%

10% to 19.9%

20% and over

**Wisconsin Department of Workforce Development**
**Division of Workforce Solutions**
**Bureau of Workforce Information**
**October 2001**

DWEI-10625-P (R. 10/2001)

State of Wisconsin
Department of Workforce Development

## Introduction

The County Workforce Profile has been developed by the Wisconsin Department of Workforce Development's (DWD) Bureau of Workforce Information (BWI) to provide a broad overview of Lafayette County's labor market. The data included in this fourth year of publication is for 1999 to maintain consistency with the previous publications and to provide the user with a single year of reference in order to draw comparisons and form a picture of related labor force and employment information.

A variety of economic and demographic labor market information have been provided to describe the current labor market conditions in the counties and regions of Wisconsin. That information includes 1999 data on population, labor force, industries, employment, wages and income. The narrative describes how local conditions have changed over one-year and five-year intervals. Although population information is available from the 2000 census, it is not included in this publication since the period of time selected for all data sets is 1999. For more recent releases of information please consult the Wisconsin Department of Workforce Development Labor Market Information website: http://www.dwd.state.wi.us/lmi.

For more detailed information or clarification, please contact your local labor market analyst, Bill Brockmiller, by telephone (608-785-9337) or email (brockwi@dwd.state.wi.us).

DWD is an equal opportunity service provider. If you need assistance to access services or material in an alternate format, please contact the analyst listed above.

# Lafayette County Population and Civilian Labor Force

The population trend in Lafayette County has changed in the last few years. In the time period 1990-1996 Lafayette County was the only county in the state that actually lost population. Since then, the tread reversed itself, and population totals for the nine year time period show a nominal population gain in Lafayette County. Lafayette County experienced an eight percent population decline during the 80s decade.

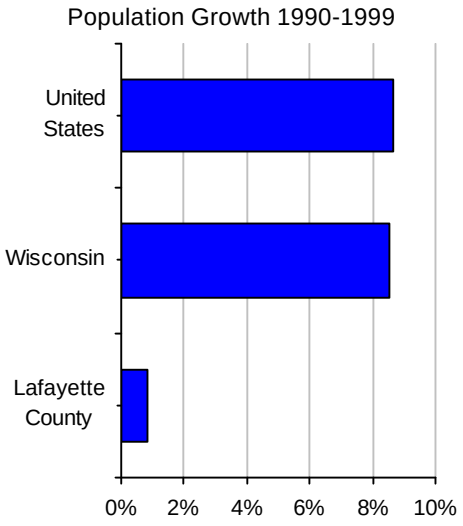
Lafayette's net migration rate (people moving in less people moving out of the county) is negative; more people move out of the county than move in. The modest population gain in the county is entirely the result of a natural (births minus deaths) increase in population.

The largest percentage growth in population has taken place in some of the county's smaller municipalities, as noted below. The county's largest city, Darlington, has grown 2.2 percent since 1990.

Total Population

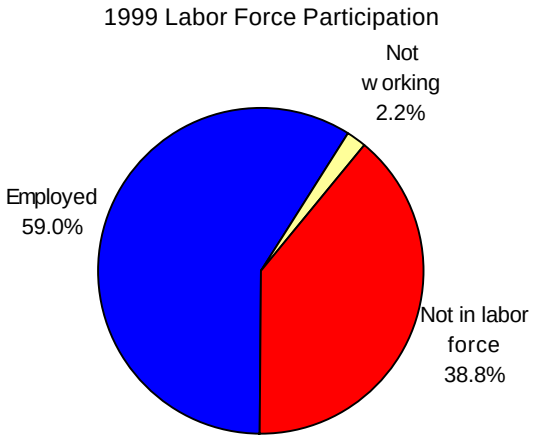
| | 1990 Census | January 1, 2000 Estimate | Percent change |
|---|---|---|---|
| United States | 248,790,929 | 270,385,000 | 8.7% |
| Wisconsin | 4,891,769 | 5,309,996 | 8.5% |
| Lafayette County | 16,074 | 16,203 | 0.8% |
| Ten Largest Municipalities | | | |
| Darlington, City | 2,235 | 2,285 | 2.2% |
| Shullsburg, City | 1,236 | 1,272 | 2.9% |
| Benton, Village | 898 | 917 | 2.1% |
| Belmont, Village | 823 | 882 | 7.2% |
| Wiota, Town | 945 | 857 | -9.3% |
| Darlington, Town | 867 | 813 | -6.2% |
| Argyle, Village | 798 | 796 | -0.3% |
| Belmont, Town | 737 | 762 | 3.4% |
| Gratiot, Town | 709 | 719 | 1.4% |
| Willow Springs, Town | 656 | 673 | 2.6% |

* Lafayette County portion only




Source: WI Dept. of Admin., Demographic Services Center, *Official Population Estimates*, January 1, 2000

The labor force is the sum of employed and unemployed persons who are 16 years old and older. Readers should keep in mind that people who are "not working" includes people who are "unemployed" and people who are "not in the labor force". "Unemployed" does not include all people who are "not working", some people who are not working are not technically unemployed. Examples of people who are not working but who are not unemployed are: retirees, fulltime students choosing not to work, persons with too many employment barriers to enter the work force, persons that have become discouraged and stopped looking for work, or other people who choose not to work or look for work. Persons in a prison, mental institution, or nursing home are not counted as members of the labor force, nor are they counted as unemployed. The pie chart displayed below provides estimates of employed, unemployed and those "not in the labor force" as a percentage of the civilian non-institutional population.




Source: Estimated from WI Dept of Administration population estimates, Jan 2000, US Census Bureau, and Local Area Unemployment Statistics

The sum of the employed and unemployed percentages provides us with the county labor force participation rate. Lafayette County has a low labor force participation rate, 61.2 percent. Lafayette's rate is significantly lower than both the national average (67.1), and statewide average of 72.3 percent. The high percentage of those identified as "not in the labor market" is the result of a large segment of the county population older than 65 relative to other age cohorts. This situation is likely to continue as the county population ages.

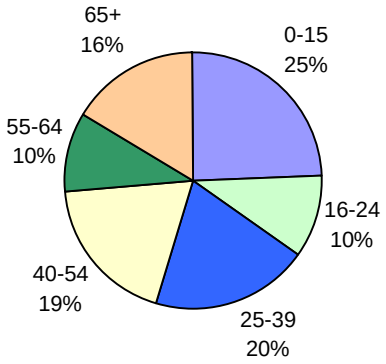
The median age in Lafayette County increased from 29.2 to 33.6 between 1980 and 1990. There are no intercensal estimates of those indicators (and Census 2000 has not released average age data yet), but considering the population growth of older cohorts, median age is expected to increase. The economic ramifications of such a demographic shift are obvious: increased demand on health care and social services as well as expansion of those sectors within the Lafayette County economy. Understanding the inter-relationship between population and the labor force will be imperative to future planning, in terms of projecting employment change as well as population growth and composition.

Sharp declines in population in the younger age cohorts (0-15, 16-24, & 25-39) will challenge economic development efforts and employers recruiting employees in Lafayette County for years to come.

Lafayette County Labor Force Age Population Distribution

| Age Group | Population 1990 Census | Population 1999 Estimate | Percent change |
|---|---|---|---|
| 0-15 | 4,261 | 3,977 | -6.7% |
| 16-24 | 1,660 | 1,655 | -0.3% |
| 25-39 | 3,706 | 3,177 | -14.3% |
| 40-54 | 2,399 | 3,128 | 30.4% |
| 55-64 | 1,575 | 1,602 | 1.7% |
| 65+ | 2,472 | 2,664 | 7.8% |

Source: Estimated from WI Dept of Admin, Demographic Services Center, *Official Population Projections 1990-2020* and US Census Bureau

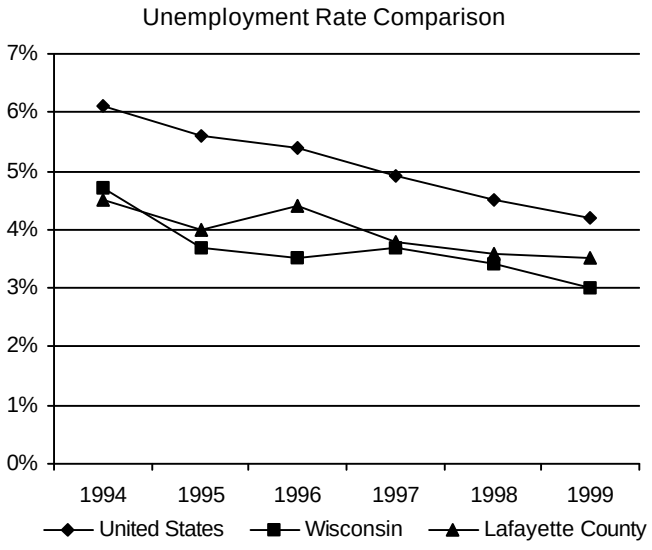



Lafayette County Civilian Labor Force Data

| | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 |
|---|---|---|---|---|---|---|
| Labor Force | 8,300 | 8,300 | 8,400 | 8,100 | 8,100 | 7,400 |
| Employed | 7,900 | 8,000 | 8,000 | 7,800 | 7,800 | 7,200 |
| Unemployed | 380 | 330 | 370 | 310 | 290 | 260 |
| Unemployment Rate | 4.5% | 4.0% | 4.4% | 3.8% | 3.6% | 3.5% |

Source: WI DWD, Bureau of Workforce Information, Local Area Unemployment Statistics

The unemployment experience of Lafayette County residents appears to have fluctuated slightly over the past five years. If we examine actual unemployment figures (previous page), we notice that the segment of the labor force identified as unemployed has remained fairly stable over the past few years. Estimates on Page two are annual averages. Lafayette's unemployment rate has remained stable since 1994, hovering around 4 percent. One reason for the stable rates is the fact that all components of the labor force (both employed and unemployed) have remained stable over the past five years.




Source: WI DWD, Bureau of Workforce Information, Local Area Unemployment Statistics

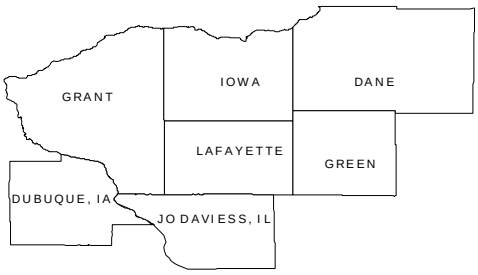
During the course of a given year, Lafayette County's monthly unemployment rates report both high peeks and low valleys of unemployment. February usually reports the highest unemployment rate for the year in Lafayette County, the high is usually in February statewide as well. In recent history, Lafayette County's February rate has ran between 5.1 and 7.7 percent. In September or October Lafayette usually records its lowest rate for the year, recent September/October rates have ran between 2.5 and 4.0 percent.

Unemployment rate patterns are roughly similar on a statewide basis. These patterns can be explained by several factors including; Wisconsin's weather patterns, farm growing seasons, Wisconsin manufacturers production schedules, shopping seasons peaks and valleys, and tourist seasons.

## Lafayette County Commuting Patterns

| | Commute Into | Commute From | Net Commute |
|---|---|---|---|
| Illinois | 355 | 45 | -310 |
| Iowa | 244 | 0 | -244 |
| Grant County | 825 | 184 | -641 |
| Green County | 773 | 299 | -474 |
| Iowa County | 397 | 154 | -243 |
| Dane County | 173 | 0 | -173 |
| Elsewhere | 688 | 50 | -638 |
| Total | 3,455 | 732 | -2,723 |
| | | | |
| Work within Lafayette County | 4,228 | | |

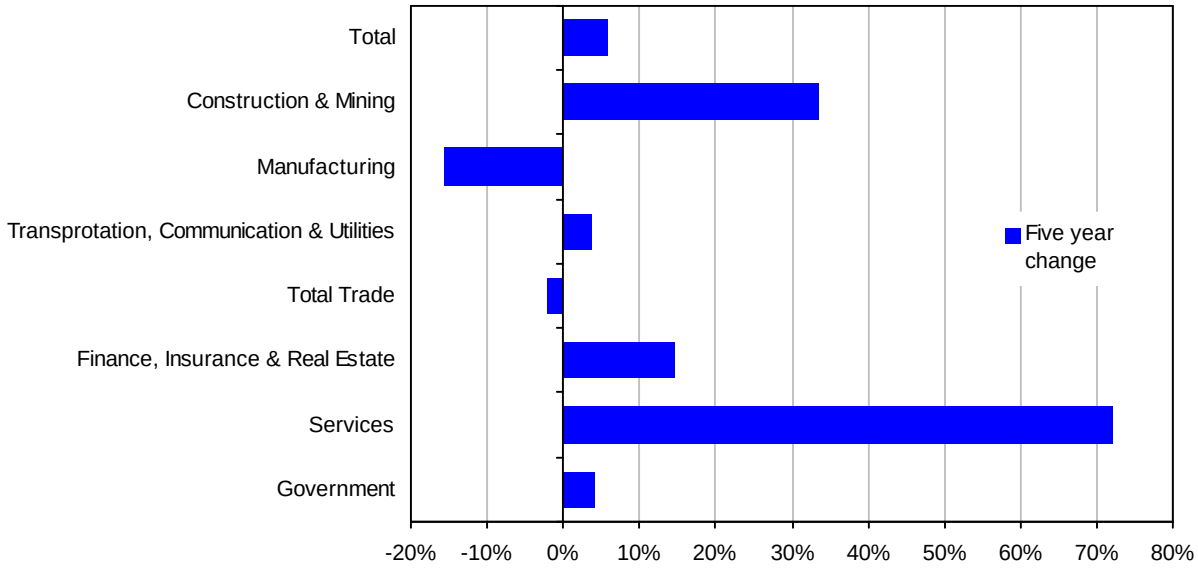
Source: WI DWD, Bureau of Workforce Information. *Wisconsin's Commuting Patterns*, 1994.




Close to 60 percent of Lafayette County residents work within the county. Due to the small size of Lafayette County's labor force, and its proximity to larger counties, commuting patterns are dominated by out-migration of the workforce. This situation is not surprising when you consider that all ten of the county's largest municipalities, with the exception of Darlington, are within a ten-mile radius from county borders. For those that do work in Lafayette County, slightly less than 15 percent work in the central city of Darlington, whose location makes it easily accessible from virtually every municipality. There are no interstate highways within the county, and only one U.S. Highway, Route 151, which cuts across the northwest corner. County and state routes criss-cross the county in a grid pattern, with many roads converging in Darlington. Using U.S. Highway 151 Lafayette County workers commute into Grant County, more than half of which work in Platteville. Green County also draws some workers, mainly to the City of Monroe.

If we analyze commuting patterns longitudinally, we can observe areas which have expanded in their recruitment of Lafayette County workers over the past 40 years. While the number of workers traveling to Dane County may seem small relative to other bordering counties, it has seen the greatest expansion in commuting between 1980 and 1990. Intercensal estimates of commuting patterns are not available, though most analysts agree that Census 2000 (commuting patterns are not available yet from Census 2000 ) figures will prove that Dane County's expanding economy is recruiting heavily from area counties. In fact, the number of Lafayette County residents that work within the county has declined by 11 percent over the past 40 years, declining between 1960 and 1970, increasing until 1980, then declining during the 80's.

# Lafayette County Employment Change by Industry 1994 to 1999




| | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Percent change 1 year | Percent change 5 year |
|---|---|---|---|---|---|---|---|---|
| **Total** | 3,580 | 3,682 | 3,690 | 3,676 | 3,793 | 3,784 | -0.2% | 5.7% |
| **Goods Producing** | 840 | 827 | 790 | 750 | 758 | 755 | -0.5% | -10.1% |
| Construction & Mining | 91 | 104 | 112 | 120 | 127 | 122 | -3.9% | 33.4% |
| Manufacturing | 748 | 722 | 679 | 630 | 632 | 633 | 0.2% | -15.4% |
| Durable | 515 | 480 | 467 | 437 | 436 | 425 | -2.6% | -17.5% |
| Nondurable | 234 | 242 | 212 | 193 | 196 | 208 | 6.4% | -10.9% |
| **Service Producing** | 2,740 | 2,855 | 2,899 | 2,925 | 3,034 | 3,029 | -0.2% | 10.6% |
| Transportation, Communications & Utilities | 230 | 248 | 247 | 243 | 249 | 238 | -4.3% | 3.6% |
| Total Trade | 867 | 887 | 877 | 856 | 840 | 847 | 0.8% | -2.2% |
| Wholesale | 356 | 327 | 305 | 283 | 288 | 289 | 0.3% | -18.7% |
| Retail | 511 | 560 | 572 | 574 | 552 | 558 | 1.1% | 9.2% |
| Finance, Insurance, and Real Estate | 175 | 182 | 181 | 193 | 201 | 200 | -0.6% | 14.6% |
| Services & Misc. | 313 | 392 | 428 | 462 | 550 | 539 | -1.9% | 72.1% |
| Total Government | 1,156 | 1,145 | 1,167 | 1,170 | 1,194 | 1,205 | 0.9% | 4.2% |

Source: WI DWD, Bureau of Workforce Information, Nonfarm Wage & Salary estimates.

Nonfarm wage and salary employment measures the number of jobs within a county excluding agricultural, military, and self-employed workers. This data measures the number of jobs within the county without consideration of where the job-holder lives. Thus, this information is often referred to as "place of work" data, as opposed to the civilian labor force data which appears at the bottom of page two - which is based on residence.

The table above presents employment counts for each industry group between the years 1994 through 1999. The most obvious conclusion the reader can draw is the overwhelming dominance of both the public sector and service-producing industries. In fact, more than three-quarters of county employment are contained within service-producing industries; there is relatively little manufacturing employment within the county. The Total non-farm employment has grew modestly in the past five years, again a result of the small labor force within the county as well as the dominant role of the public sector.

Family farm employment, not included above but included on the bottom of page two, is still a significant factor in Lafayette County economics. According to a 1996 report by the University of Wisconsin-Extension, out of all 72 Wisconsin Counties, Lafayette has the second highest percentage of jobs that were farm and farm-related. Lafayette was one of only four counties with more than 40 percent farm/farm related employment in Wisconsin, the exact percentage of farm and farm related employment in Lafayette in 1996 was 46.3 percent. Around 90 percent of all land in Lafayette County is devoted to farming.

# Lafayette County's Largest Industries and Employers

**Top 10 Industry Groups**

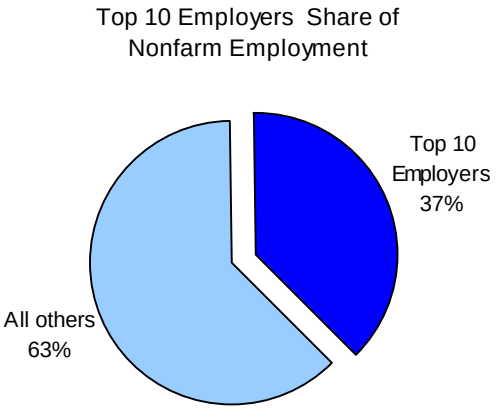
| Industry Group | March 2000 Employers | March 2000 Employment | Numerical Change 1 Year | Numerical Change 5 Years |
|---|---|---|---|---|
| Educational Services | 7 | 652 | -12 | 1 |
| Executive, Legislative, And General | 25 | 498 | 15 | 41 |
| Transportation Equipment | * | * | * | * |
| Eating And Drinking Places | 26 | 225 | 3 | 31 |
| Food And Kindred Products | 9 | 183 | 13 | -27 |
| Trucking And Warehousing | 22 | 167 | -30 | -4 |
| Wholesale Trade-Nondurable Goods | 20 | 162 | 13 | 26 |
| Depository Institutions | 9 | 131 | 9 | -1 |
| Electronic & Other Electric Equipment | * | * | * | * |
| Wholesale Trade-Durable Goods | 10 | 129 | -2 | -75 |

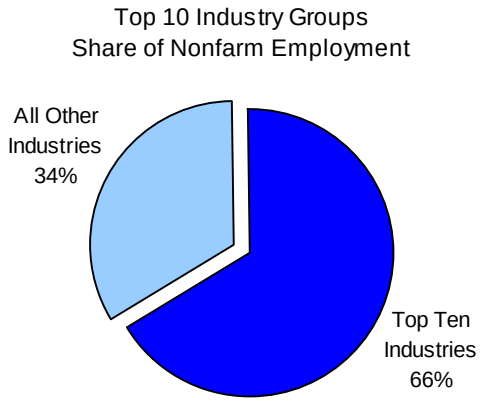
*data suppressed to maintain confidentiality

**Top 10 Public & Private Employers**

| Company | Product or Service | Size |
|---|---|---|
| County Of Lafayette | Executive and General Government | 250-499 |
| Autoline/Argyle Industries | Automotive Parts Manufacturer | 100-249 |
| Darlington Public School | Education | 100-249 |
| Merklekorff Industries | Motors & Generators | 100-249 |
| School District Of Black | Education | 100-249 |
| Shullsburg Public School | Education | 50-99 |
| Belmont Community School District | Education | 50-99 |
| School District Of Argyle | Education | 50-99 |
| Lactalis USA | Motor Vehicle Parts | 50-99 |
| Dick's Super Market | Grocery Retailer | 50-99 |

Source: WI DWD, Bureau of Workforce Information Bureau, ES-202 file tape, 1st quarter 1999 and LMI benchmark 2000.



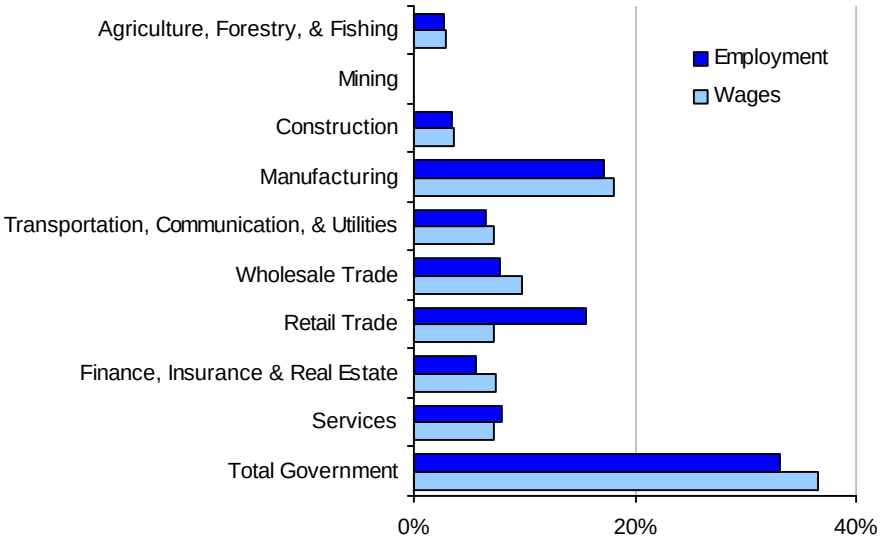

There were 366 employers in Lafayette County as of the 1st quarter 2000. As demonstrated in the pie graph to the left above, most of the employment in the county is contained within smaller establishments, evidenced by the fact that on average, each establishment employs 10 workers.

An examination of the largest industry groups within Lafayette County reveals the dominant role that the public sector plays in county economics. This sector has remained relatively stable compared to other industry groups, with only nominal changes in employment since 1992. In fact, most of the larger industry groups within the county have remained relatively stable, evidenced by the fact that population changes have been rather undynamic.

# Lafayette County Employment and Wages 1999

| | Annual Average Wage | State Average Wage | Percent of State Average | Percent change 1 year | Percent change 5 year | Number of Workers |
|---|---|---|---|---|---|---|
| All Industries | $21,361 | $29,609 | 72.1% | 3.8% | 22.2% | 3,612 |
| Agriculture, Forestry, & Fishing | $22,372 | $21,499 | 104.1% | -2.9% | 13.1% | 100 |
| Mining | * | $39,968 | * | * | * | * |
| Construction | $21,724 | $36,772 | 59.1% | 2.9% | 33.5% | 127 |
| Manufacturing | $22,521 | $37,773 | 59.6% | 9.4% | 35.8% | 620 |
| Transportation, Communications, & Utilities | $23,888 | $34,523 | 69.2% | -1.2% | 15.6% | 233 |
| Wholesale Trade | $26,472 | $38,048 | 69.6% | 5.8% | 36.5% | 284 |
| Retail Trade | $9,968 | $15,066 | 66.2% | -1.4% | 4.4% | 565 |
| Finance, Insurance, & Real estate | $28,820 | $37,911 | 76.0% | 4.7% | 19.2% | 201 |
| Services | $19,384 | $26,041 | 74.4% | 10.2% | 41.0% | 286 |
| Total Government | $23,548 | $32,017 | 73.5% | 1.9% | 18.5% | 1,195 |

Total Employment and Wage Distribution by Industry Division

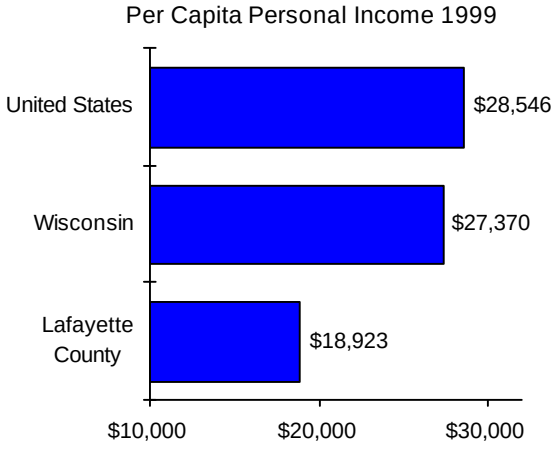



Source: WI DWD, Bureau of Workforce Information, *Employment, Wages and Taxes Due covered by Wisconsin's U.C. Law, Tables 209-211.*

Only one industry within Lafayette County generates annual average wages higher than the statewide average; agriculture, forestry, and fishing workers within the county make on average, 4.1 percent greater than other workers in that industry statewide. This is generally due to the nature of the county economy, essentially based on agriculture and agricultural services. Most of the workers in this industry in Lafayette County are employed by agriculture services establishments such as veterinarians. In 1999, only 100 workers were employed in this industry (this statistical series does not include numbers from individual family farms), and despite their high earnings, accounted for only 2.9 percent of all wages paid in Lafayette County.

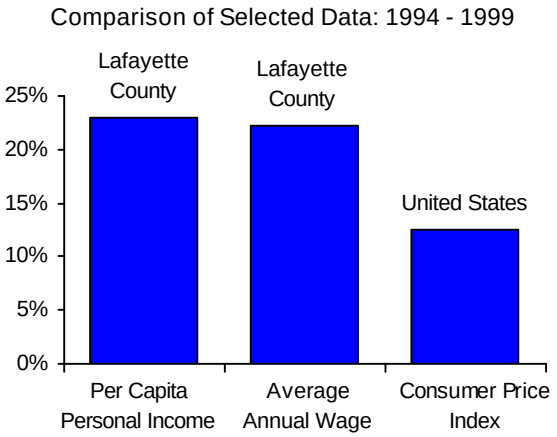
Government has played a large role in the distribution of earnings; a majority of the employment in government within the county is found in educational facilities as well as municipal administration. In many industries, earnings in Lafayette County are roughly three-quarters of the statewide average. This is due to the fact that most high paying industries are under-represented in the county-wide economy; the lack of highly unionized jobs (found mainly in manufacturing) as well as the high percentage of retail trade jobs (which pay lower than average wages) results in lower than average wages for all industries.

# Lafayette County Wage and Income Data




Per capita personal income (PCPI) is total income divided by the total number of residents. Income includes wages earned, dividends from investments, and transfer payments from the government. Per capita income can be influenced by the number of wage earners, average family size, and the median age of residents. Per capita income can also determine the type of services and housing available.

Lafayette County's per capita personal income of $18,923 ranked 69th of Wisconsin's 72 counties during 1999. That represents a drop from 1998, in which the county was ranked 66th. The chart to the left reveals that annual average earnings have risen much faster over the past five years than inflation (consumer price index).




Per Capita Personal Income

| | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | Percent Change 1 year | Percent Change 5 year |
|---|---|---|---|---|---|---|---|---|
| United States | $22,581 | $23,562 | $24,651 | $25,874 | $27,321 | $28,546 | 4.5% | 26.4% |
| Wisconsin | $21,699 | $22,573 | $23,554 | $24,791 | $26,227 | $27,370 | 4.4% | 26.1% |
| Lafayette County | $15,400 | $15,037 | $16,152 | $16,821 | $18,186 | $18,923 | 4.1% | 22.9% |

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, Regional Economic Information System.

Selected Occupational Wage Data

| | Mean | Median |
|---|---|---|
| Assemblers, General | $ 10.79 | $ 11.08 |
| Amusement & Recreation Attendants | $ 7.45 | $ 6.92 |
| Cashier | $ 6.99 | $ 6.74 |
| Cook, Restaurant | $ 9.36 | $ 8.39 |
| Farm Equipment Mechanic | $ 12.51 | $ 12.19 |
| Farmworker/Farm Laborer | $ 8.83 | $ 8.74 |
| Hotel/Motel Clerk | $ 7.47 | $ 7.39 |
| Janitor/Cleaner | $ 9.50 | $ 9.14 |
| Machine Feeder & Offbearer | $ 9.49 | $ 9.47 |
| Nurse Aide/Orderly | $ 9.24 | $ 9.10 |
| Production Worker - Helper | $ 10.73 | $ 10.26 |
| Registered Nurse | $ 21.21 | $ 20.21 |
| Truck Driver, Light | $ 10.32 | $ 9.97 |
| Truck Driver, Tractor Trailer | $ 16.72 | $ 15.72 |
| Vehicle Washer/Equipment Cleaner | $ 8.83 | $ 8.24 |

Source: DWD, BWI, 2000 OES wage survey for Balance-Of-State (non-MSA) counties.

The wages for the selected occupations in this table were reported by employers in non-metropolitan counties in the state who responded to the Occupational Employment Statistics (OES) survey. Employers from all Wisconsin counties participated in the survey but published data was limited to MSAs and a grouping of 60 or so 'balance-of-state' non-MSA counties.

Wages play a critical role in the economy as both workers and employers try to capitalize their worth. The labor shortage has placed additional pressure on wages and those occupations with a mean (average) and median (mid-point) wage relatively close reflect that. Mean wages include both very low and high wages, but as the labor mark tightens employers offering low wages migrate closer to the mid-point.